

CITY COUNCIL AGENDA ITEM COVER MEMO

Agenda Item Number: _____

Meeting Type: Regular

Meeting Date: Oct 8, 2015

Action Requested By: Legal

Agenda Type: Resolution

Subject Matter:

Invoking Letter of Credit.

Exact Wording for the Agenda:

Resolution authorizing the Clerk-Treasurer to invoke National Bank of Commerce Letter of Credit No. 400692800 for Inspiration on Green Mountain II Subdivision.

Note: If amendment, Please state title and number of the original

Item to be considered for: Action

Unanimous Consent Required: No

Briefly state why the action is required; why it is recommended; what council action will provide, allow and accomplish and; any other information that might be helpful.

Associated Cost: _____

Budgeted Item: Not Applicable

MAYOR RECOMMENDS OR CONCURS: Yes

Department Head: 

Date: Sep 28, 2015

RESOLUTION NO. 15-_____

WHEREAS, National Bank of Commerce issued a certain letter of credit (No. 400692800), a copy of which is attached hereto and incorporated herein by reference, including any amendments thereto, in favor of the City of Huntsville, Alabama pursuant to Article 5 of the Subdivision Regulations for the City of Huntsville, Alabama; and

WHEREAS, the letter of credit is due to be invoked and the proceeds used in accordance with said subdivision regulations.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Huntsville, Alabama, that the City of Huntsville Clerk-Treasurer be and is hereby authorized to present for payment to National Bank of commerce Letter of Credit No. 400692800, prior to the expiration date thereof, with the language as specified in said Letter of Credit.

ADOPTED this the 8th day of October, 2015.

President of the City Council
of the City of Huntsville,
Alabama

APPROVED this the 8th day of October, 2015.

Mayor of the City of
Huntsville, Alabama



**NATIONAL
BANK of
COMMERCE**

Amendment of Irrevocable Standby Letter of Credit No. 400692800

Beneficiary

City of Huntsville
P.O. Box 308
Huntsville, AL. 35805
(Hereinafter "City")

Applicant

Diltina Development Corporation
7545 Hwy 72 West
Madison AL. 35758
(Hereinafter "Developer")

Bank

National Bank of Commerce
415 Meridian Street
Huntsville, AL. 35801

Letter of Credit Number: 400692800

Amount: \$86,310.00

Issue Date: August 15, 2014

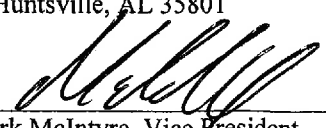
Expiration Date: October 22, 2015

Re: Article 5 Sidewalks, Letter of Credit for inspiration On Green Mountain Phase II, A Resubdivision of Tract 35 of a Resubdivision of Tract 35 and Lot 19 of Inspiration on Green Mountain, as recorded as Instrument number 20130425000264080, a Resubdivision of Green Mountain, a Resubdivision of Tract 1 according to the Green Mountain Auction Property, Plat book 33, pages 1-26, as recorded in Instrument No. 20090828000563380, in the Office of the Judge of Probate, Madison County, Alabama

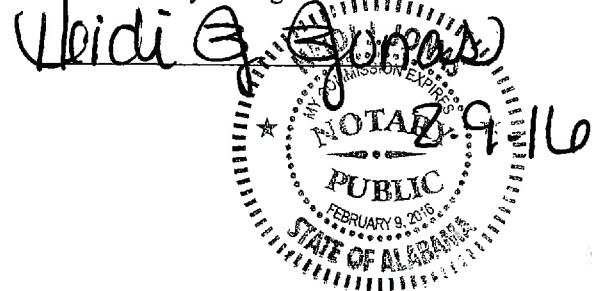
The following is to amend the amount of the above letter of credit issued on October 22, 2013 from \$102,795.00 to \$86,310.00 effective dated August 15, 2014. Please amend the expiration date from October 22, 2014 to October 22, 2015.

All other terms and conditions to remain the same.

Issued By: National Bank of Commerce
415 Meridian Street
Huntsville, AL 35801


Mark McIntyre, Vice President

Sworn to and subscribed before me
on the 15th day of August 2014



O/K
CEH
9/4/14

MW 8-22-14

DS 8-25-14

on 10/14
9/3/14



NATIONAL
BANK of
COMMERCE

Irrevocable Standby Letter of Credit 400692800

Beneficiary

City of Huntsville
Clerk-Treasurer Office
P.O. Box 308
Huntsville, AL 35804
(hereinafter "City")

Applicant

Diltina Development Corp.
7545 Hwy 72 West
Madison AL. 35758
(hereinafter "Developer")

Bank

National Bank of Commerce
300 Randolph Avenue SE
Huntsville, AL 35801

7cc
36 lots
= Ext

Letter of Credit Number: 400692800

Amount: \$102,975.00

Issue Date: October 22, 2013

Expiration Date: October 22, 2014

Re: Article 5 Sidewalks, Letter of Credit for Inspiration On Green Mountain Phase II, A Resubdivision of Tract 35 of a Resubdivision of Tract 35 and Lot 19 of Inspiration On Green Mountain, as recorded as Instrument Number 20130425000264080, a Resubdivision of Green Mountain, a Resubdivision of Tract 1 according to the Green Mountain Auction Property, Plat Book 33, pages 1-26, as recorded in Instrument No. 20090828000563380, in the Office of the Judge of Probate, Madison County, Alabama

Gentlemen:

We hereby issue our Irrevocable Standby Letter of Credit in your favor for the account of **Diltina Development Corporation** effective October 22, 2013, for a sum not to exceed the aggregate of **ONE HUNDRED TWO THOUSAND NINE HUNDRED SEVENTY FIVE AND NO/100 (\$102,975.00)** available by your one or more drafts at sight on us.

All draft(s) drawn under and in compliance with the terms of this Credit prior to the expiration thereof will be duly honored if drawn and presented for payment to National Bank of Commerce in Huntsville, Alabama.

Each draft must be accompanied by a statement signed by an authorized representative of the City of Huntsville, Alabama stating that the draw is being made pursuant to Article 5 of the Subdivision Regulations of the City of Huntsville, Alabama.

The original of this letter of credit must be presented with any drawings.

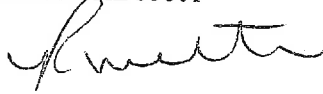
We hereby engage with you that draft(s) drawn under and in compliance with the terms of the credit will be duly honored upon presentation and delivery of the documents specified.

This Letter of Credit shall be governed by the laws of the State of Alabama, including but not limited to, the Alabama Uniform Commercial Code, as the same may be from time to time amended.

OK
CEH

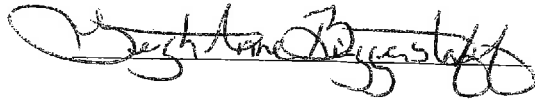
DS 10-21-13 OKCA 10/22/13 10/25/13

Issued By: National Bank of Commerce
300 Randolph Avenue
Huntsville, AL 35801



Russ Mitchell, Vice President

Sworn to and subscribed before me on the
22 day of Oct. 2013



My Commission Expires
March 18, 2017